

B. POPULATION, EMPLOYMENT AND HOUSING

This section describes existing and projected population, employment and housing statistics, and evaluates impacts the proposed project may have on population, employment and housing.

1. Setting

The following sections utilize data from the U.S. Census Bureau, the Association of Bay Area Governments (ABAG), and the City of San Jose 2020 General Plan.

a. Population. The City of San Jose is an urbanized community located in Santa Clara County in the southern region of the San Francisco Bay area. Founded in 1777 with a then population of 66 persons, San Jose, or Pueblo de San Jose, was the first civilian settlement in California.¹ By early-1850, the City had formally incorporated with a population of approximately 4,000 persons, and served as the State capital for the first two sessions of the California legislature.²

In 2000, the City's incorporated area population of 894,943 persons comprised approximately 53 percent and the total Santa Clara County population of 1,682,585.³ Also in 2000, the City's population for the first time exceeded that of the City of Oakland and the City of San Francisco, making San Jose the most populous community in the Bay Area. By 2005, ABAG estimated San Jose's population to have increased 4.6 percent over the previous 5-year period to 985,000 persons. ABAG estimates that by 2030, San Jose's total population will increase an additional 36 percent from 2005 reaching approximately 1,339,400 persons, comprising 61.7 percent of Santa Clara County's population.⁴ A summary of San Jose and Santa Clara County population data is provided in Table V.B-1.

As described in Section V.A, Land Use, the 23.1-acre project site is developed with urban uses, including one single-family residence associated with the corner bar known as Patty's Inn. In 2005, the population associated with the one single-family residence on the site was approximately three persons, comprising a miniscule portion of the City's total population.⁵

b. Employment. Two types of employment data are described below, including: 1) Total Jobs – which indicates the number of all jobs within the community; and 2) Employed Residents – which indicates the number of residents of working age who actively participate in the civilian labor force. The civilian labor force includes: those who are employed (excepting those in the armed forces); and those who are unemployed but actively seeking employment. Those residents who have never held a job, who have stopped looking for work, or who have been unemployed for a long period are not considered to be in the labor force. Table V.B-2 provides employment data for San Jose and Santa Clara County. Data provided in the “difference” row of Table V.B-2 illustrate how the number of jobs provided is impacted by the labor force available to fill those jobs. A *positive* difference indicates that

¹ City of San Jose, 2005. Websites: www.sanjoseca.gov; www.usacitiesonline.com; www.leginfo.ca.gov.

² Ibid.

³ US Census, 2000. Summary File (SF) 1, 100-Percent Data, Table DP-1. website: <http://factfinder.census.gov>.

⁴ Association of Bay Area Governments (ABAG), 2004. *Projections 2005, Forecasts for the San Francisco Bay Area to the Year 2030*. December.

⁵ Population calculated by multiplying the number housing units within the project area (i.e., one unit) by the average household size from 2000 US Census, which was 3.2 persons per dwelling unit.

Table V.B-1: Total Population –San Jose and Santa Clara County

Source	2000		2005		2020		2030	
	City	County	City	County	City	County	City	County
U.S. Census 2000	894,943	1,682,585	–	–	–	–	–	–
ABAG Projections 2005	941,998	1,682,585	985,000	1,750,100	1,196,900	2,073,300	1,339,400	2,267,100

Note: ABAG data include persons within San Jose’s Sphere of Influence.

Sources: US Census, 2000. SF 1, Table DP-1; ABAG, 2004. *Projections 2005*.

Table V.B-2: Employment Data – San Jose and Santa Clara County

	2000		2005		2020		2030	
	City	County	City	County	City	County	City	County
Total Jobs	432,480	1,044,130	375,750	903,840	514,220	1,161,930	617,790	1,339,970
Employed Residents	470,027	863,432	401,970	734,000	531,910	944,200	626,240	1,086,300
Difference (Jobs-Employed Residents)	-37,547	180,698	-26,220	169,840	-17,690	217,730	-8,450	253,670

Note: ABAG data include employment for areas within San Jose’s Sphere of Influence.

Source: ABAG, 2004. *Projections 2005*; LSA Associates, 2005.

more jobs are provided in the community than there are workers available to fill those jobs; and a *negative* difference indicates that the number of employed residents exceeds the number of jobs provided to accommodate the demand for them in the community.

(1) Total Jobs. In 2000, San Jose had 432,480 total jobs which comprised approximately 41 percent of all jobs provided in Santa Clara County. ABAG estimates that the total number of jobs in San Jose decreased 13 percent to 375,750 total jobs over the five year period between 2000 and 2005. By 2030, ABAG projects that the total number of San Jose jobs will increase an additional 64 percent from 2005, reaching approximately 617,790 total jobs and providing almost half of all Santa Clara County jobs at 46 percent.

The number of existing jobs on the project site was estimated by applying standard employment density factors for commercial, office, and industrial land use categories. Generally, commercial uses provide one job per 300 to 800 square feet of building area; office uses provide one job per 250 to 350 square feet of building area; and industrial uses provide one job per 350 to 850 square feet of area.⁶ For the purposes of this analysis, mid-point employment density factors for each of these land use categories were used: Commercial – 1 job per 500 square feet; Office – 1 job per 300 square feet; and Industrial – 1 job per 600 square feet. Applying these employment density factors to the known developed square footages for existing and occupied land uses on the project site in 2005 results in an estimate of 320 total jobs on the project site, accounting for a fraction of all City jobs (i.e., 0.09 percent).

(2) Employed Residents. In 2000, ABAG estimated that San Jose had 470,027 employed residents, comprising 54 percent of all Santa Clara County employed residents. ABAG estimates that

⁶ Natelson Notes-An Economic Development Resource of the Natelson Company, Inc. (TCNI), Spring 2002.

the total number of employed residents decreased 14 percent to 401,970 persons over the five-year period between 2000 and 2005. By 2030, ABAG projects that the number of employed residents in San Jose will increase an additional 55 percent from 2005 to 626,240 persons, comprising 57 percent of Santa Clara County's workforce.

c. Housing. The following section describes the housing characteristics of San Jose, Santa Clara County, and the project site.

(1) Households. In 2000, San Jose had 291,370 households, comprising approximately 51 percent of the 565,863 households in Santa Clara County. ABAG estimates that the total number of households in San Jose had increased 6 percent by 2005, to 309,020 households. By 2030, ABAG estimates the number of San Jose households will increase an additional 35 percent from 2005, reaching 417,790 households. A summary of San Jose and Santa Clara County household data is provided in Table V.B-3.

The average household size for San Jose was 3.19 persons in 2000, which was slightly larger than the Santa Clara County average of 2.92 persons per household.⁷ Average household size has increased in both San Jose and Santa Clara County since 1990, when it was 3.08 and 2.81, respectively. ABAG projects household sizes for San Jose and Santa Clara County will remain relatively constant through 2030 at 3.18 and 2.93 persons per household, respectively.

As previously described, in 2005, the project site had one housing unit with an estimated household population of three persons.

(2) Housing Stock. The housing stock in the City of San Jose is characterized primarily by single-family homes, a smaller percentage of multi-unit units, and relatively low vacancy rates. In 2000, the US Census reported that San Jose had 281,706 housing units with 98 percent of those units occupied (i.e., 276,417 occupied units). Of these, the US Census reported that 67 percent were single-family attached or detached units, 29 percent were multi-family units, and 4 percent were mobile homes. According to the 2000 U.S. Census, 62 percent of all occupied housing units in San Jose were owner-occupied and the remaining 38 percent were renter-occupied.

d. Jobs-to-Housing Balance. The jobs-to-housing balance concept is used to determine whether a community has an adequate number of jobs available to provide employment for all the residents within the community seeking employment. Understanding this "balanced" relationship concept can be useful to our understanding of the interconnections among housing affordability, traffic flows and congestion, and air quality within a community and its broader region.

(1) Methodology. Typically, the term "jobs-to-housing balance" is used to refer to a relationship between jobs and housing units within a community. A jobs-to-housing units ratio of 1.5 is considered ideal, which takes into account residents who do not participate in the labor force (e.g., those who are retired, disabled, or students). The 1.5 jobs-to-housing units ratio indicates a community has an adequate number of jobs to meet the demand for jobs by its residents, and therefore, is in balance.

⁷ US Census, 2000. Summary File (SF) 1, 100-Percent Data, Table DP-1.

Table V.B-3: Household Data – San Jose and Santa Clara County

Data Type	1990		2000		2005		2020		2030	
	City	County	City	County	City	County	City	County	City	County
Households	250,218	520,180	291,370	565,863	309,020	595,550	370,620	692,440	417,790	762,720
Household Population	770,745	1,463,219	930,686	1,652,871	973,200	1,719,200	1,184,900	2,041,800	1,327,400	2,235,600
Average HH Size	3.08	2.81	3.19	2.92	3.14	2.89	3.19	2.95	3.18	2.93

Note: ABAG data for 2005, 2020, and 2030 include all households within San Jose’s Sphere of Influence.

Source: US Census, 1990. STF 1, Table DP-1; US Census, 2000. SF-1, Tables DP-1 and QT-H1; ABAG, 2004. *Projections 2005*; LSA Associates, 2005.

A more helpful indicator of balance, however, is the relationship between the number of jobs provided to the number of residents seeking employment (i.e., employed residents). An ideal jobs-to-employed residents ratio is 1.0, which indicates that every resident seeking a job could find one within the community.

A jobs-to-employed residents ratio that is greater than one indicates the community provides more jobs than it has residents seeking those jobs. With this out-of-balance condition, the community is likely to experience in-commuting traffic congestion from people coming to jobs from outside the area, as well as intensified pressure for additional residential development to house the labor force demanded. Conversely, a jobs-to-employed residents ratio of less than one indicates a community has fewer jobs than employed residents demanding employment. With this converse out-of-balance condition, residents would need to commute outside of the community (i.e., out-commute) for employment. The resulting commuting patterns can lead to traffic congestion and adverse effects on both local and regional air quality.

This ratio does not, however, account for regional in- or out-commuting due to job/labor mismatches or housing affordability. Even if a community has a numerical balance between jobs and housing/employed residents, sizeable levels of in-commuting and out-commuting are likely, where employment opportunities do not match the skills and educational characteristics of the local labor force. In such instances, regional commuting tends to occur. For example, a numerically balanced community may have high housing costs and low-wage jobs, thus encouraging its residents to out-commute for their high wage jobs elsewhere, and its workers to in-commute from outside the community where housing costs are affordable to their low wage incomes. This condition is often referred to as a jobs-to-housing *mismatch*. A jobs-to-housing match would indicate that the types of jobs provided “matched” the income needs of the employed workers within the community.

(2) Jobs-to-Employed Residents in San Jose and Santa Clara County. According to ABAG, San Jose had more employed residents than total jobs in 2000 and 2005, indicating a somewhat higher than balanced level of out-commuting. San Jose’s jobs-to-employed resident ratios in 2000 and 2005 of 0.92 and 0.93, respectively, indicate the community is almost balanced, with an adequate number of jobs available to accommodate San Jose’s demand for jobs. Santa Clara County, however, has slightly more total jobs available than employed residents with a job-to-employed residents ratio of 1.21 in 2000, and 1.23 in 2005. By 2030, ABAG projects that San Jose’s jobs-to-employed residents ratio will increase to 0.99, almost reaching a 1:1 balance of jobs to people

demanding jobs. Similarly, Santa Clara County's jobs-to-employed residents ratio will remain constant through 2030 at 1.23, with slightly more jobs than workers Countywide.

The condition of the City of San Jose jobs-to-employed residents ratio between 0.93 and 0.99 over the next 25 years, and the County with a ratio of about 1.23 is not uncommon among cities and counties in the San Francisco Bay Area.

Table V.B-4 provides housing and employment data for San Jose and Santa Clara County. This table also provides data indicating what the jobs-to-housing units ratios would be if this more general methodology was applied. As described earlier in this section, a jobs-to-housing units ratio of 1.5 is considered ideal and indicates that a balanced number of jobs are provided given the number of housing units within the community.

Calculating the jobs-housing balance for such a small area (i.e., 23.1-acre project site) is not a useful exercise because the existing 320 jobs on the site far exceeds the one housing unit with less-than three employed workers.

e. Regulatory Considerations. The following section provides City goals and objectives applicable to the proposed project.

(1) San Jose 2020 General Plan Goals and Policies. Applicable population, employment and housing goals and policies from the San Jose 2020 General Plan are described below.

City Concept

- *Balanced Community Goal 4:* Develop a balanced and complete community in terms of land use distribution and densities, housing types and styles, economic development and job opportunities, and opportunities for social and cultural expression.
 - *Balanced Community Policy 1:* The City should foster development patterns which will achieve a whole and complete community in San Jose, particularly with respect to improving the balance between jobs and economic development on the one hand, and housing resources and resident work force on the other. A perfect balance between jobs and housing may not be achievable but the City should attempt to improve this balance to the greatest extent feasible.
 - *Balanced Community Policy 4:* Business and industry should be encouraged to provide job opportunities for all members of the community's work force.

Community Development

- *Economic Development Goal 1:* Create more job opportunities for existing residents, particularly those who suffer from chronic unemployment, to improve the balance between jobs and resident workers.
- *Economic Development Goal 2:* Create a stronger municipal tax base by obtaining a greater share of the total industrial and commercial development in the County, and by nurturing and encouraging expansion of the existing industrial and commercial development in the City.
 - *Economic Development Policy 1:* The City should reduce the present imbalance between housing and employment by seeking to obtain and maintain an improved balance between jobs and workers residing in San Jose. A perfect balance between the number of jobs and employed residents may not be achievable but the City should strive to achieve a minimum ratio of 0.80 jobs/employed residents to attain greater fiscal stability.
 - *Economic Development Policy 2:* To enhance its economic development and employment opportunities, the City should: Seek to attract businesses and industries which are particularly suited to the area; encourage businesses and industries to provide jobs suitable for the City's unemployed and underemployed labor force.

Table V.B-4: Housing and Employment Data – San Jose and Santa Clara County

	2000		2005		2020		2030	
	City	County	City	County	City	County	City	County
Total Jobs	432,480	1,044,130	375,750	903,840	514,220	1,161,930	617,790	1,339,970
Employed Residents	470,027	863,432	401,970	734,000	531,910	944,200	626,240	1,086,300
Housing Units	291,370	565,863	309,020	595,550	370,620	692,440	417,790	762,720
Jobs-to-Housing Unit Ratio (Ideal is 1.5)	1.48	1.86	1.22	1.52	1.39	1.68	1.48	1.76
Jobs-to-Employed Residents Ratio (Ideal is 1)	0.92	1.21	0.93	1.23	0.97	1.23	0.99	1.23

Source: ABAG, 2004. *Projections 2005*; LSA Associates, Inc., 2005.

Housing

- *Goal 2:* Provide decent housing in a livable environment for all persons, including the homeless, regardless of such factors as age, race, sex, marital status, ethnic background, or income.
 - *Conservation and Rehabilitation Policy 9:* Conservation and rehabilitation of the existing housing stock is an important means of meeting the objective of providing housing opportunities for all San Jose residents. In furtherance of this policy, most neighborhoods are designated on the land Use/Transportation Diagram at existing densities to provide an incentive for the preservation and maintenance of the housing stock. furtherance of this policy, most neighborhoods are designated on the land Use/Transportation Diagram at existing densities to provide an incentive for the preservation and maintenance of the housing stock.

(2) **Diridon/Arena Strategic Development Plan.** As described in Chapter IV, Consistency with Plans and Policy, the project site is located within the 64.5 acre planning area of the Diridon/Arena Strategic Development Plan. Of this plan’s three development zones, the majority of the 23.1-acre project site is located in the Station South area, which envisions transit-oriented mixed use development that would allow up to 150 units per acre combined with office, retail, or other non-residential uses.

2. Impacts and Mitigation Measures

This section analyzes impacts related to population, employment and housing that could result from implementation of the proposed project. The section begins with the criteria of significance, which establish the thresholds to determine whether an impact is significant. The latter part of this section presents the impacts associated with the proposed project and identifies mitigation measures, as appropriate.

a. Criteria of Significance. The proposed project would have a significant impact on population, employment, and housing if it would:

- Displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere;
- Induce substantial population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure);
- Create a substantial jobs-to-housing imbalance.

b. Less-than-Significant Population, Employment and Housing Impacts. The following discussion examines potential less-than-significant impacts of the proposed project.

(1) Displacement of Housing or People Necessitating the Construction of Replacement Housing Elsewhere. There is one existing housing unit on the proposed project site with an estimated household population of three persons. Development of the proposed project would require that this one existing single-family residence on the site would be removed and the associated household population relocated. Displacement of one single-family residence, however, would not constitute a substantial number of units.

(2) Induce Substantial Population Growth. Development of the proposed project would not directly or indirectly induce substantial population growth in the project area by providing new residences or businesses nor would it require the extension of public services and utilities to an area currently un- or underserved by public services, utilities or infrastructure. The proposed project is located in an urbanized area and involves the redevelopment of a 23.1-acre site currently occupied with a mix of office, service commercial, lodging, industrial, and institutional uses. The project is located in the Diridon/Arena Strategic Development Plan, which is a strategy document that envisions the revitalization and intensification of mixed land uses including those that would serve daily workers, visitors, sports enthusiast, and convention-goers. Such mixed uses envisioned include residential, commercial, entertainment, and office, which would add new jobs and residential population to the area. Development of the proposed project is in keeping with the vision of this area and, as such, redevelopment and revitalization of the area is not unanticipated. As a result, development of the proposed project would not result in direct or indirect population growth.

(3) Create a Substantial Jobs-to-Housing Imbalance. The proposed project would create approximately 1,500 to 1,800 new jobs and no new housing units. Implementation of the project would relocate approximately 320 existing jobs on the project for a total net increase of 1,480 new jobs, which would result in a very small positive impact on the City's 2005 jobs-to-housing unit balance, increasing it from 0.93 to 0.94. By 2030, the 1,800 jobs (or 1,480 net new jobs) added by the proposed project would represent a fraction of all City jobs (i.e., 0.29 percent), nonetheless, still positively impacting the jobs-to-housing units balance, adding jobs to a community with more employed residents that jobs available to meet the demand for jobs. As a result, the proposed project would benefit the City's overall current and long term jobs-to-housing balance, and would not result in significant impacts.

c. Significant Population, Employment and Housing Impacts. Implementation of the proposed project would not result in any significant population, employment, or housing impacts.

